

The complaint

Mrs A complains UAB ZEN.COM didn't do enough to protect her when she fell victim to an investment scam.

What happened

On 7 August 2023 Mrs A opened an account with Zen from which she sent payments that she later said were part of an investment scam. Between 8 August 2023 and 21 September 2023, Mrs A sent seventeen payments totalling over £100,000 from her account with Zen as part of this investment scam.

On 24 October 2023 Mrs A – with the help of a representative – complained to Zen that it hadn't done enough to protect her from being scammed.

Zen looked into Mrs A's complaint and said that it had explained to her about scams and how to avoid them, and that it had stopped her payments and carried out checks to make sure she wasn't being scammed. Zen said that it had no concerns based on the answers she'd given and so allowed the payments to go through. In the circumstances, Zen said that it wasn't going to uphold her complaint and wouldn't be refunding her. Mrs A was unhappy with Zen's response and so complained to our service.

One of our investigators looked into Mrs A's complaint and said that they didn't think Zen's interventions had been as good as they should have been. However, our investigator didn't think it would have made a difference had Zen questioned Mrs A more, or more effectively, as the evidence showed she'd ignored multiple warnings from other businesses who were and had been involved, and that Mrs A hadn't been truthful in her answers as a scammer was telling her exactly what to say. So, they didn't recommend that the complaint be upheld. Mrs A's representatives weren't happy with our investigator's recommendations, saying that Zen's interventions had been poor. So, Mrs A's complaint was referred to an ombudsman for a decision. Her complaint was, as a result, passed to me.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

No-one appears to be disputing the fact that Mrs A has fallen victim to an investment scam. I've seen, amongst other things, the chat history between Mrs A and the scammers involved, and it's clear that she's not only taken out a number of loans in order to make the payments she's made but also that she did everything the scammers asked her to do. That includes downloading remote access software onto her computer and giving the scammers access to her computer whenever they asked her to do so, and telling business who were asking her questions as they were worried she was being scammed exactly what the scammers told her to say. That's something we see when it comes to scams like this – scammers trick victims into doing exactly what they want, often using clever techniques.

In this case, I can see that Mrs A had accounts with several other banks, all of whom appear

to have been warning her that she might be falling victim to a scam and trying to take steps to protect her. I can see that Mrs A told those other banks exactly what the scammers asked her to say – and that she ignored these warnings, even when one of her banks said that if someone was telling her what to say and to ignore its warnings then she was definitely being scammed. In the circumstances, I agree with our investigator that even if Zen had asked more questions than it did, and had done more when it intervened, it wouldn't ultimately have made a difference. Sadly, this scam only came to light when the scammer repeatedly failed to return the money they'd told Mrs A that she'd made and Mrs A completely lost trust in them. I don't think Zen could, in the circumstances, have prevented any of Mrs A's losses.

I can see that Mrs A was ultimately making payments into cryptocurrency wallets which the scammers controlled. I agree, therefore, that there was no prospect of Zen being able to help Mrs A recover her money as it would all have been long gone when she reported the fact that she'd been scammed.

In short, for the reasons I've given, I agree that this isn't a complaint we can uphold.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 7 August 2024.

Nicolas Atkinson
Ombudsman